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State of South Carolina

State Ethics Commission

GARY R. BAKER
EXECUTIVE DIRECTOR

(803) 253-4192
FAX (803) 253-7539
5000 Thurmond Mall, Suite 250
P.O. Box 11926
Columbia, S.C. 29211

Oct.-Dec., '97

NEWSLETTER

98-002

We say goodbye...

It is with regret that we say goodbye to two folks associated with the Commission. Commissioner Roger Hartman of Anderson, serving the 3rd Congressional District, has taken a position in Louisiana. Roger has been serving as a Commissioner since June, 1993.

We also say goodbye to Hannah King who will be transferring to the SC Election Commission effective January 2, 1998. Hannah is the Commission Public Information Specialist and is also responsible for lobbyist filings.

We wish both Roger and Hannah all the best.

Space available in training programs

The State Ethics Commission will be offering training sessions for public employees, lobbyists/lobbyist's principals, and candidates for public office. Space is still available in all of our classes. The classes meet from 9:00am - 12:00pm. If you are interested in attending any of the sessions below, please call (803) 253-4192 to register.

Training Schedule

JAN

9 Lobbyist/Lobbyist's Principal
19 Public Employee

FEB

9 Candidates
27 Public Employee

Entity Updates

All entities under the State Ethics Commission's jurisdiction have been mailed an updated list of their individuals who are required to submit the Statement of Economic Interests Form. It is very important that this list is returned to our agency with any corrections made so that we can update our records. Persons on that list will receive a Statement of Economic Interests Form in early January.

Lobbyist/Lobbyist's Principal Registrations

Registration forms for 1998 were mailed to all currently registered lobbyists and lobbyist's principals on December 3; however, **we will not be accepting registrations for 1998 until December 15.** All reregistration forms are due prior to January 5 or within 15 days after hiring, employing, or retaining a lobbyist or within 15 days after being hired, employed, or retained as a lobbyist.

A disclosure form was also enclosed with the registration form. If there was any lobbying activity after September 30, a disclosure form must be submitted for the period of October 1 - December 31. It is not required to submit a disclosure form if there was no activity after September 30.

S. C. STATE LIBRARY

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STATE DOCUMENTS

Statement of Economic Interests Forms to be mailed in January

The Statement of Economic Interests Form will be mailed to all required filers in January. The list of required filers is based on the records in our computer. If you are no longer required to submit the Statement of Economic Interests Form, or if you are not sure if you should submit the form, please contact our office so we can correct our records. The Statement of Economic Interests Form is due in our office no later than April 15.

Campaign Disclosure Forms due January 10

All candidates who have an active campaign account are reminded to file their quarterly Campaign Disclosure Forms prior to January 10. This form is due even if there have been no campaign contributions or expenses for this quarter. The Campaign Disclosure Form must be submitted each quarter until a final report is filed. If you have any questions on the Campaign Disclosure Form, please call this office.

Gifts and the public employee/public officeholder

The holiday season is upon us! The Ethics Reform Act does not absolutely prohibit the exchanging of glad tidings, but it does prohibit the exchanging and receiving of gifts between public employees, public officers, and public members under certain circumstances. Gifts that may be accepted without question are printed informational or promotional material of less than \$10 in value, promotional items under \$10 in value, personalized plaques or trophies worth less than \$150, educational material of a nominal value directly related to official responsibility, and promotional or marketing items also offered to the general public.

If the gift is something other than the items described above, then the acceptance is based on a number of factors including the donor, the recipient, and any relationship such as the donor being a lobbyist or lobbyist's principal.

If you are in a position which enables you to recommend or take action on any matter affecting those donors, you should politely decline since there is an absolute prohibition against accepting anything of value other than those items mentioned above to influence your actions.

If the gift is from a lobbyist and you are an employee or official of a State agency, you may not accept anything other than the items mentioned above.

If the gift is from a lobbyist's principal, it may not exceed \$25 per day and \$200 per calendar year. You must report the receipt of the gift on your annual Statement of Economic Interests Form.

Also, gifts exceeding \$25 from the following are to be reported on your Statement of Economic Interests Form:

- * A person or business which your agency regulates
- * A person or business which is seeking to do business with your agency
- * A person or business which is seeking action (permits, variances, etc.) from your agency

If you have any questions, please feel free to contact the Commission office.

Advisory opinions

SEC AO98-001

November 19, 1997

SUBJECT: Registered lobbyists are prohibited from serving on the Solid Waste Advisory Council.

SUMMARY: S.C. Code § 2-17-110(D) (Supp. 1996) prohibits a lobbyist from serving on the Solid Waste Advisory Council.

SEC AO98-003

November 19, 1997

SUBJECT: County government selling services to the private sector.

SUMMARY: The Ethics Reform Act does not prohibit a County government from selling the services of a county employee to the private sector.

November 19, 1997

SUBJECT: Legislative contact by S.C. Bar committee chairs or members

SUMMARY: S.C. Bar committee chairs and committee members are not "employed, appointed or retained" to influence public officials. Therefore, their incidental public communications with legislators regarding S. C. Bar positions does not make the committee chairs or committee members "lobbyists".

November 19, 1997

SUBJECT: Employee of incorporated water district serving on County Water Authority

SUMMARY: The Ethics Reform Act does not prohibit holding more than one public office and/or employment; however, the Ethics Reform Act requires disqualification on matters affecting the economic interests of both entities and the employee/public member.

Complaints resolved

On October 6, 1997, the Commission issued a Decision and Order in a complaint against Robert L. Bank, M.D., the Director of the Shearouse Pavilion of the South Carolina Department of Mental Health. The complaint was filed at the request of the State Reorganization Commission as a result of an audit of the Department of Mental Health by the Legislative Audit Council.

Dr. Bank was alleged to have participated in contract negotiations between the South Carolina Department of Mental Health, with whom he was employed as a physician, and United Behavioral Systems, with whom he was also associated as an independent contractor, and which had an economic interest in the outcome of the contract negotiations.

As a result of an investigation, the Commission issued a Decision and Order, in which it stated, "...there does not appear to have been any intentional violation of the State Ethics Act; however, the procurement

process charges public officials and public employees to objectively and impartially consider and determine contractual matters. The prohibitions contained in (the State Ethics Act) serve the public interest in objective, impartial, and effective government by preventing the creation of situations which would tend to impair the objectivity and impartiality and therefore, the effectiveness of a public employee...It is the opinion of the Commission that there was no intentional violation on the part of (Dr. Bank); however, the Commission agrees that an appearance of impropriety does exist..."

The Commission determined that there was no probable cause to indicate that Dr. Bank willfully and knowingly attempted to violate the State Ethics Act; however, it did advise Dr. Bank against participation in future activity of this nature, to avoid even the appearance of impropriety.

On November 19, 1997, the Commission issued a Consent Order in response to a complaint filed against the Mayor of McColl, SC, Verd E. Odom. The complaint was filed July 26, 1996 by McColl resident, Aubrey Price.

After an investigation by the Commission, Mr. Odom was charged with two counts of using his public office for personal financial gain, one count of using a public vehicle in an election campaign, and one count of failing to disclose public improvements to a subdivision in which he and his wife owned property.

Mr. Odom admitted the violations, and consented to the Commission's Order. Mr. Odom was publicly reprimanded, fined \$500, and ordered to reimburse the Town of McColl \$56.10 for the use of the public vehicle.

Copies of Orders in the above matters may be obtained by contacting the Commission office.



What would you do...?

Q. It is a few days before Christmas and a package arrives in your office from a person who runs a large local corporation. You have had business contacts with this person and anticipate doing business with his corporation in the next few months, providing the cost is right for your agency. The owner has attached a note to the gift expressing his appreciation for your hard work as a public employee and mentions that he looks forward to working with you in the future. Can you accept the gift?

A. Section 8-13-705 prohibits a person from directly or indirectly giving, offering, or promising anything of value to a public employee, public official, or public member with intent to influence their official responsibilities. That same code section prohibits a public employee, public official, or public member from receiving anything of value,

directly or indirectly, for himself or for another person in return for being influenced in the discharge of his official responsibilities.

In this case, there is an appearance of impropriety since the company may be doing business with your agency. You should return the gift.

The staff at the State Ethics Commission wishes everyone a safe and happy holiday season!!

SEASON'S GREETINGS



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Columbia, SC 29211

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